



**THE ATTORNEY GENERAL
OF TEXAS**

AUSTIN 11, TEXAS

GERALD C. MANN

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ATTORNEY GENERAL**

Honorable Geo. H. Sheppard
Comptroller of Public Accounts
Austin, Texas

Dear Sir

Att'n: Mr. Gus Farrar

Opinion No. 0-1109

Re: Whether or not the Comptroller
is authorized to approve
county depository pledge contracts
secured by legally issued
warrants of municipalities.

We are in receipt of your opinion request and quote from your letter as follows:

"Article 2547, as amended, leaves out, . . . ' and the legally issued warrants of any of said municipalities so named.'

"This department now has for approval several depository bonds secured by, ' and the legally issued warrants of any of said municipalities so named.'

"Am I authorized to approve such bonds?"

Article 2547, section (c) (as amended, Acts 1937, Forty-fifth Legislature, page 1298, chapter 484, section 1) reads as follows:

"In lieu of such personal bonds or surety bonds as above specified, said banking corporation, association or individual banker so selected as county depository, may pledge and said depository bank is authorized to pledge with the Commissioners' Court for the purpose of securing such county funds, securities of the following kind, in an amount equal to the amount of such county funds on deposit in said depository bank, to-wit: bonds and notes of the United States, securities of indebtedness of the United States, and other evidences of indebtedness of the United States, when said evidences of indebtedness are supported by the full faith and credit of the United States of America and other bonds or other evidences of indebtedness which are guaranteed as to both principal and interest by the United States Government; bonds of the State of Texas, or of any county, city, town, independent school district, common school district or bonds issued under the Federal Farm Loan Act or road district bonds, bonds, pledges or other securities issued

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by the Board of Regents of the University of Texas, bank acceptances of banks having a capital stock of not less than Five Hundred Thousand Dollars (\$500,000); notes or bonds secured by mortgages insured and debentures issued by the Federal Housing Administrator of the United States Government, and bonds issued by municipal corporations in Texas . . ."

The type of securities that may be pledged by county depository pledge contracts are enumerated in the statute above quoted. "Legally issued warrants of any of said municipalities so named" is not included in the amended statute (Acts 1937, Forty-fifth Legislature, page 1298, chapter 484, section 1).

It is the opinion of this department that only the securities enumerated in Article 2547 may be pledged. Therefore, we feel that county depository pledge contracts, including legally issued warrants of municipalities should not be approved by the Comptroller of Public Accounts.

Trusting that this answers your question we remain.

Very truly yours

ATTORNEY GENERAL OF TEXAS

s/ Claud O. Boothman

By

Claud O. Boothman
Assistant

COB:s-ldw

APPROVED AUG. 11, 1939
s/ GERALD C. MANN
ATTORNEY GENERAL OF TEXAS

APPROVED OPINION COMMITTEE
BY R. W. B.
CHAIRMAN